

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document or about what action you should take, you should consult your independent financial adviser authorised under the Financial Services and Markets Act 2000 immediately.

If you have sold or otherwise transferred all of your Ordinary Shares please forward this document, together with the accompanying documents, as soon as possible to the purchaser or transferee or to the agent through whom the sale was effected, for transmission to the purchaser or transferee.

TELECOM PLUS PLC

(incorporated and registered in England and Wales with registered number 03263464)

NOTICE OF GENERAL MEETING

Notice of the General Meeting of the Company to be held at Network HQ, 508 Edgware Road, The Hyde, London NW9 5AB on Wednesday 16 December 2020 at 12.00 noon is set out at the end of this document.

Shareholders should note that due to the outbreak of Covid-19 the GM will be held as a closed meeting and Shareholders and their proxies will not be able to attend in person.

A Form of Proxy for use at the General Meeting accompanies this document and, to be valid, must be completed and returned to the Company's registrars, Link Asset Services, PXS 1, 34 Beckenham Road, Beckenham, Kent, BR3 4ZF, as soon as possible but in any event to be received not later than 12.00 noon on Monday 14 December 2020.

DEFINITIONS

The following definitions apply throughout this document unless the context requires otherwise:

"Companies Act"	the Companies Act 2006, as amended, consolidated or re-enacted from time to time
"Articles"	the Company's articles of association
"Board" or "Directors"	the directors of the Company as at the date of this document
"Company"	Telecom Plus PLC
"DBP"	the Telecom Plus PLC 2021 Deferred Share Bonus Plan
"Form of Proxy"	the form of proxy accompanying this document for use in connection with the Annual General Meeting
"General Meeting" or "GM"	the general meeting of the Company convened for 16 December 2020 pursuant to the Notice of GM
"Group"	the Company and its subsidiaries
"Notice of GM"	the notice of General Meeting which is set out on pages 7 to 9 of this document
"Ordinary Shares"	ordinary shares of 5p each in the capital of the Company
"Resolutions"	the resolutions set out in the Notice of GM
"RIS"	Regulatory Information Service
"Shareholders"	holders of Ordinary Shares

TELECOM PLUS PLC

(incorporated and registered in England and Wales with registered number 03263464)

Network HQ
508 Edgware Road, The Hyde
London NW9 5AB

Directors:

Charles Wigoder (Executive Chairman)
Andrew Lindsay MBE (Chief Executive Officer)
Nicholas Schoenfeld (Chief Financial Officer)
Stuart Burnett (Chief Operating Officer)
Beatrice Hollond (Senior Non-Executive Director)
Andrew Blowers OBE (Non-Executive Director)
Melvin Lawson (Non-Executive Director)
Julian Schild (Non-Executive Director)
Suzi Williams (Non-Executive Director)

23 November 2020

To all Shareholders

Dear Shareholder

2020 GENERAL MEETING

I am writing to you to explain the proposals which Shareholders will be asked to approve at the General Meeting (GM) to be held on Wednesday 16 December 2020 starting at 12.00 noon at Network HQ, 508 Edgware Road, The Hyde, London, NW9 5AB. The Notice of GM is set out at the end of this document.

Impact of Covid-19 on the GM

The Company is closely monitoring developments relating to the current outbreak of Covid-19, including the related public health guidance and legislation issued by the UK Government.

The health and safety of our Shareholders and employees is our utmost priority and therefore we have taken the decision to hold the GM as a closed meeting and Shareholders and their proxies will not be able to attend in person. The Company will make arrangements such that the legal requirements to hold the meeting can be satisfied through the attendance of a minimum number of directors.

Shareholders are therefore strongly encouraged to submit a proxy vote in advance of the meeting. Details on how to submit your proxy vote by post, online or through CREST are set out on page 8 of this Notice.

Shareholders with questions regarding the GM are also encouraged to submit these in writing to: shareholders@uw.co.uk ahead of the meeting.

In the light of the fact that we are holding a closed meeting we are pleased to be able to provide a facility for Shareholders to follow the GM remotely and submit questions online to the board on the business of the meeting.

How to join the virtual meeting

You will need to visit www.telecomplus.co.uk using your smartphone, tablet or computer where you will find a link to the meeting. You will then be prompted to enter your unique 'Login Code' and 'PIN'. Your Login Code is your 11 digit Investor Code (IVC), including any leading zeros. Your PIN is the last 4 digits of your IVC. This will authenticate you as a Shareholder.

Your IVC can be found on your share certificate, or Signal Shares users (www.signalshares.com) will find this under 'Manage your account' when logged in to the Signal Shares portal. You can also obtain this by contacting Link Group, our Registrar, by calling 0371 277 1020¹.

Access to the GM will be available from 30 minutes before the start of the event although you will not be able to submit questions until the meeting is declared open.

If you wish to appoint a proxy and for them to attend the virtual meeting on your behalf, please contact Link Group on telephone number +44 (0) 371 277 1020¹.

If your Shares are held within a Nominee account and you wish to attend the electronic meeting, you will need to contact your Nominee in order that they can obtain for you from Link Group, our Registrar, your Login Code and PIN for onward transmission to you ahead of the meeting.

This situation is constantly evolving, and the UK Government may change current restrictions or implement further measures relating to the holding of general meetings during the affected period. Any changes to the arrangements for the GM will be communicated to Shareholders before the meeting through our website at: www.telecomplus.co.uk and, where appropriate, by RIS announcement.

Amendments to the Directors' Remuneration Policy (resolution 1)

The current Policy was approved by Shareholders at the AGM held on 25 July 2019. While the majority of shareholders have been supportive of the Company's executive remuneration structure in recent years, the Remuneration Committee is cognisant that concerns have been raised by some Shareholders.

¹ Lines are open from 9.00 a.m. to 5.30 p.m. Monday to Friday, calls are charged at the standard geographic rate and will vary by provider. Calls outside the UK will be charged at the applicable international rate.

The Remuneration Committee therefore considered it appropriate to undertake a review of the executive remuneration structure and, subsequent to the review, a number of changes to the remuneration structure are proposed. Details are set out in Part 1 of the Appendix to this document.

The Remuneration Committee strongly considers that the proposed changes simplify the incentive structure, adopt good governance practices in a commercial and pragmatic way, and ensure that the executive directors are incentivised to deliver on critical annual priorities as well as generating long term sustainable growth.

Resolution 1 seeks Shareholder approval for amendments to the Policy to incorporate the changes. The amendments to the Policy are set out in Part 2 of the Appendix to this document, which constitutes the memorandum referred to in section 226D of the Companies Act 2006. The amended Policy is available on the Company's website at: www.telecomplus.co.uk or for physical inspection, as set out in Note 12 to this document.

Adoption of a new Deferred Share Bonus Plan (resolution 2)

Authority is sought to approve the adoption of the DBP, the principal terms of which are summarised in Part 3 of the Appendix to this document. The DBP is a discretionary share plan under which the deferred part of an annual bonus may be delivered.

The rules of the DBP are available on the Company's website at: www.telecomplus.co.uk or for physical inspection, as set out in Note 12 to this document.

ACTION TO BE TAKEN

Shareholders will find a Form of Proxy enclosed for use at the GM. Given the current restrictions on attendance, Shareholders are encouraged to appoint the chair of the meeting as their proxy rather than a named person who will not be permitted to attend the meeting. The Form of Proxy should be completed and returned to the Company's registrars in the prepaid envelope provided, as soon as possible, and in any event, so as to be received by the Company's registrar, Link Asset Services, PXS 1, 34 Beckenham Road, Beckenham, BR3 4ZF by not later than 48 hours before the time of the GM.

Alternatively, Shareholders can submit their proxy vote electronically by accessing the shareholder portal at www.signalshares.com, logging in and selecting the 'Vote Online Now' link. Shareholders will require their username and password in order to login and vote. If Shareholders have forgotten their username and/or password they can request a reminder via the shareholder portal. If Shareholders have not previously registered to use the portal they will require their investor code ('IVC') which can be found on their share certificate or dividend notification. Electronic proxy votes should be submitted as early as possible, and in any event, by not later than 48 hours before the time of the GM.

Recommendation

The Board considers the Resolutions are in the best interests of the Company and its Shareholders as a whole. Accordingly, the Directors unanimously recommend that you vote in favour of the Resolutions as they intend to do so in respect of their own shareholdings which amount in aggregate to 15,508,018 Ordinary Shares (representing approximately 19.7 per cent of the issued Ordinary Shares, excluding treasury shares) as at 20 November 2020 (the last practicable date before publication of this document).

Yours faithfully

Charles Wigoder
Executive Chairman

TELECOM PLUS PLC

(“the Company”)

NOTICE OF GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT a General Meeting of the Company will be held at Network HQ, 508 Edgware Road, The Hyde, London NW9 5AB on Wednesday 16 December 2020 at 12.00 noon for the purpose of considering, and if thought fit, passing the following resolutions as ordinary resolutions. In order to allow the voting preferences of all Shareholders to be taken into account, voting in respect of all resolutions to be put to the GM will be conducted by means of a poll.

1. To approve the amendments to the current Company’s Directors’ Remuneration Policy (the “Policy”) (previously approved by Shareholders at the Annual General Meeting (“AGM”) held on 25 July 2019), which are set out in Part 2 of the Appendix to this document, and the Company be and hereby is authorised to make any remuneration payment or payment for loss of office pursuant to any such amended provisions.
2. To approve the Telecom Plus PLC 2021 Deferred Share Bonus Plan (the “DBP”), the principal terms of which are summarised in Part 3 of the Appendix to this document and the rules of which are produced to the meeting initialled by the Chairman for the purpose of identification, and the Directors be and are hereby authorised to do all such other acts and things as they may consider appropriate to implement the DBP.

By Order of the Board
David Baxter
Company Secretary

Dated 23 November 2020

Registered Office:
Network HQ
508 Edgware Road
The Hyde
London NW9 5AB

Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to exercise all or any of his rights to attend, speak and vote at the meeting. A member can appoint more than one proxy in relation to the meeting, provided that each proxy is appointed to exercise the rights attaching to different shares held by the member. A proxy need not be a member of the Company. However, Shareholders should note that due to the outbreak of Covid-19 the GM will be held as a closed meeting and Shareholders and their proxies will not be able to attend in person.
2. A form of proxy is provided with this notice and instructions for use are shown on the form. To be valid, completed proxies must be received (together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of such power or authority) by Link Asset Services, PXS 1, 34 Beckenham Road, Beckenham, BR3 4ZF, not later than 48 hours before the time fixed for the meeting and no account shall be taken of a day that is not a working day.
3. The Company specifies, pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, that only those Shareholders whose names are entered in the register of members of the Company as at close of business on 14 December 2020 (or, if the meeting is adjourned, on the date which is two days before the time of the adjourned meeting) shall be entitled to vote at the General Meeting in respect of the number of shares registered in their names at that time. Changes to entries on the register of members after that time shall be disregarded in determining the rights of any person to vote at the meeting.

4. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the meeting and any adjournment(s) thereof by using the procedures described in the CREST Manual. CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
5. In order for a proxy appointment or instruction made using a CREST service to be valid, the appropriate CREST message (a "**CREST Proxy Instruction**") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's ("**EUI**") specifications and must contain the information required for such instructions, as described in the CREST Manual (www.euroclear.com/CREST). The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instructions given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID RA10) by the latest time(s) for receipt of proxy appointment specified in note 2 above. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST).

The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that EUI does not make available special procedures in CREST for any particular messages. Normal systems timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

6. To appoint more than one proxy, (an) additional proxy form(s) may be obtained by contacting Link Asset Services or you may photocopy the proxy form. If you appoint more than one proxy, each proxy must be appointed to exercise the rights attached to a different share or shares held by you. Please indicate in the box next to the proxy's name the number of shares in relation to which they are authorised to act as your proxy. Please also indicate by ticking the box provided if the proxy instruction is one of multiple instructions being given. All forms must be signed and should be returned together in the same envelope. Given the current restrictions on attendance, Shareholders are encouraged to appoint the chair of the meeting as their proxy rather than a named person who will not be permitted to attend the meeting.
7. In accordance with section 325 of the Companies Act, the right to appoint proxies does not apply to persons nominated to receive information rights under section 146 of the Companies Act, persons nominated to receive information rights under section 146 of the Companies Act who have been sent a copy of this notice of meeting are hereby informed, in accordance with section 149(2) of the Companies Act, that they may have a right under an agreement with the registered member by whom they were nominated to be appointed, or to have someone else appointed, as a proxy for this meeting. If they have no such right, or do not wish to exercise it, they may have a right under such an agreement to give instructions to the member as to the exercise of voting rights. Nominated persons should contact the registered member by whom they were nominated in respect of these arrangements.
8. To change your proxy instructions you may return a new proxy appointment using the methods set out above. Where you have appointed a proxy using the hard copy proxy form and would like to change the instructions using another hard copy proxy form, please contact Link Asset Services, PXS 1, 34 Beckenham Road, Beckenham, BR3 4ZF. The deadline for receipt of proxy appointments (see above) also applies in relation to amended instructions. Any attempt to terminate or amend a proxy appointment received after the relevant deadline will be disregarded. Where two or more

valid separate appointments of proxy are received in respect of the same share in respect of the same meeting, the one which is last sent shall be treated as replacing and revoking the other or others.

9. A corporate shareholder may authorise a person or persons to act as its representative(s) in relation to the GM. Each such representative may exercise (on behalf of the corporation) the same powers as the corporation could exercise if it were an individual shareholder in the Company, provided that he or she does not do so in relation to the same shares. It is no longer necessary to nominate a designated corporate representative.
10. You may not use any electronic address provided either in this notice of general meeting or any related documents (including the form of proxy) to communicate with the Company for any purposes other than those expressly stated.
11. As at 20 November 2020 (being the last practicable business day before the publication of this Notice), the Company's issued share capital consisted of 79,191,888 Ordinary Shares carrying one vote each, including 482,276 shares held in treasury. Therefore the total voting rights in the Company are 78,709,612.
12. The following documents are available for inspection at the registered office of the Company (Network HQ, 508 Edgware Road, The Hyde, London, NW9 5AB) during normal business hours on each weekday (public holidays excluded) from the date of this notice until the close of the meeting and at the place of the meeting for 15 minutes prior to and during the meeting:
 - (a) a copy of the Policy, marked to show the changes being proposed in resolution 1; and
 - (b) a copy of the DBP proposed in resolution 2.

In the light of the restrictions on movement following the outbreak of Covid-19 any Shareholders wishing to inspect the above documents are requested to first email: shareholders@uw.co.uk

13. A copy of this Notice, and other information required by section 311A of the Companies Act, can be found at the Company's website (www.telecomplus.co.uk).

APPENDIX TO NOTICE OF GENERAL MEETING

PART 1: PROPOSED CHANGES TO THE EXECUTIVE REMUNERATION STRUCTURE

Annual bonus

In order to incentivise executive directors to deliver on critical annual strategic priorities and to provide a remuneration framework more aligned with market practice, it is proposed that an annual bonus plan is operated on an on-going basis. The proposed key design terms of the annual bonus plan are set out below.

Maximum opportunity	<p>Up to 150% of salary (a significant reduction to the 200% available under the current Policy).</p> <p>For the year ending 31 March 2021, maximum opportunities are proposed as follows:</p> <ul style="list-style-type: none"> • CEO: 150% of salary • CFO: 67.5% of salary • COO: 135% of salary <p>The CFO's maximum opportunity has been set at 67.5% of salary to reflect the level of his salary compared to other FTSE250 companies of a similar size and scale to Telecom Plus PLC.</p>
Performance metrics	<p>At least 70% of the annual bonus will be subject to financial metrics, with the remainder subject to non-financial metrics aligned with the business' strategic priorities.</p> <p>For the year ending 31 March 2021, 70% of the annual bonus will be subject to Profit Before Tax ("PBT") performance and the remaining 30% will be subject to strategic metrics. The PBT targets have been set by reference to multiple factors, including the internal budgeting forecasts and broker forecasts from the beginning of the financial year. Full disclosure of the PBT targets and strategic metrics will be included in the Directors' Remuneration Report for the year ending 31 March 2021.</p> <p>The Remuneration Committee will have discretion to adjust the payment outcome if it is not deemed to reflect the underlying financial or non-financial performance of the business, the performance of the individual or the experience of shareholders and other stakeholders over the performance period. In any case, the strategic element of the bonus will only pay-out if a satisfactory threshold level of PBT is achieved.</p>
Deferral	<p>One-third of any bonus earned will be deferred into shares for two years and subject to continued employment during the deferral period.</p>
Recovery provisions	<p>Annual bonus payments are subject to clawback provisions for up to two years following payment. Deferred shares awards are subject to clawback provisions during the two-year deferral period.</p> <p>Clawback may apply in the following circumstances:</p> <ul style="list-style-type: none"> • Gross misconduct of the participant • Material error or misstatement in the accounts • Grant or vesting of awards being found to be incorrect due to misleading or inaccurate information • Serious reputational damage • Material corporate failure

The current Policy includes discretion to award an ad hoc bonus of up to 10% of salary to recognise exceptional performance in relation to a discrete project. This discretion is to be removed.

Unused incentive limits

The current Policy includes flexibility to carry forward and carry back unused incentive limits. Following feedback from Shareholders, this flexibility is to be removed.

Reduction of the potential number of shares that may vest under the existing growth share and share option plans

To reflect the introduction of the proposed annual bonus plan, the Remuneration Committee has agreed with the executive directors that their existing LTIP and share option entitlements (as applicable) will be reduced by 50%. There have been no changes to the share price or EPS targets.

Alignment of executive director pension opportunity with the wider workforce

Under the current Policy, the percentage level of pension provision for executive directors will not exceed the highest percentage contribution rate payable to employees. The Policy is to be updated to clarify that the percentage level of pension provision for executive directors will not exceed the highest percentage contribution rate available to the majority of employees.

Post-employment shareholding guideline

The Remuneration Committee is introducing a post-employment shareholding guideline which is considered appropriate for the Company.

Executive directors will be required to retain a shareholding equal to:

- 200% of salary (or actual shareholding at the point of departure if lower) for the first 12 months following departure;
- 100% of salary (or actual shareholding at the point of departure if lower) for the subsequent 12 months.

The guideline will apply to all shares acquired from the exercise of awards under existing share plans and the DBP after 16 December 2020. The guideline will not apply to shares purchased by executive directors.

PART 2: PROPOSED AMENDMENTS TO THE DIRECTORS' REMUNERATION POLICY

The current Policy is set out on pages 54 to 65 of the Company's annual report and accounts for the year ended 31 March 2019. The amendments to the Policy for which Shareholder approval is sought pursuant to resolution 1 are set out below.

1. Amendments to the remuneration policy table on pages 55 to 59 of the Company's annual report and accounts for the year ended 31 March 2019.

The Annual bonus, Pension and Shareholding Requirement sections of the remuneration policy table have been updated as follows (changes are marked-up in blue for ease of reference):

How component supports strategic objectives	Operation of component	Maximum potential value of component	Performance metrics used, weighting and time periods
Annual bonus			
<p>To incentivise the annual delivery of financial and strategic priorities.</p> <p>No regular annual cash bonus scheme is currently in place although the Committee wishes to retain the flexibility to introduce such a scheme should it be deemed necessary to attract and retain high calibre executive directors in future.</p>	<p>Bonus payment would be is dependent on the achievement of performance measures.</p> <p>One-third of any bonus earned is deferred into shares for two years subject to continued employment.</p> <p>The Committee may decide to pay the entire bonus in cash where the amount to be deferred into shares would, in the opinion of the Committee, be so small it is administratively burdensome to apply deferral.</p> <p>Dividends will not accrue on deferred shares prior to vesting.</p> <p>The Committee has discretion to adjust the payment outcome if it is not deemed to reflect the underlying financial or non-financial performance of the Company, the performance of the individual or the experience</p>	<p>Maximum opportunity of up to 150% of base salary may be awarded in respect of a financial year.</p> <p>Maximum potential bonus of 200% of annual base salary, including the value of any share incentive awards granted during the year, as detailed below. The overall combined limit for annual cash bonuses and share incentive awards to be 200% of annual base salary.</p> <p>In years where no bonus is awarded and/or no grant of share incentives is made to a director the maximum grant limit of 200% can be brought forward or carried back to be used in other years.</p>	<p>Targets are set annually reflecting the Company's financial and strategic priorities.</p> <p>At least 70% of the annual bonus is assessed against financial performance metrics. The balance is assessed against non-financial strategic/personal objectives.</p> <p>Financial metrics Up to 25% of each bonus element will vest for threshold performance, with full vesting for maximum performance.</p> <p>Non-financial metrics Vesting will apply on a scale between 0% and 100% based on the Committee's assessment of performance against objectives.</p> <p>Performance measures will be appropriate to the role of the individual director.</p> <p>Save in exceptional circumstances, directors</p>

How component supports strategic objectives	Operation of component	Maximum potential value of component	Performance metrics used, weighting and time periods
	<p>of shareholders or other stakeholders over the performance period.</p> <p>Annual bonus payments are subject to clawback provisions for up to two years following payment. Deferred share awards are subject to clawback provisions during the two-year deferral period. Clawback may apply in the following circumstances: gross misconduct of the participant; material error or misstatement in the accounts; grant or vesting of annual bonus awards being found to be incorrect due to misleading or inaccurate information; serious reputational damage; material corporate failure.</p>		<p>will be required to reinvest 25% of any bonus payment (after tax) in the Company's shares at the prevailing market price. These shares are expected to be retained for a significant period.</p>
Pension			
To provide funding for retirement	Defined contribution pension scheme open to all employees and executive directors.	<p>Company contributes up to a maximum of 20% of base salary per annum. The percentage level of pension provision for executive directors will not exceed the highest percentage contribution rate payable available to a majority of employees.</p>	None.
Shareholding Requirement			
To strengthen the long-term alignment of directors' interests with those of all shareholders.	Shareholding requirement policy is primarily derived from the issue of shares resulting from the exercise of awards made under the Share Incentive Schemes, the Deferred Bonus Plan	Executive directors are expected to progressively build and retain a shareholding in the Company worth 200% of basic salary over a maximum of 10 years; until	

How component supports strategic objectives	Operation of component	Maximum potential value of component	Performance metrics used, weighting and time periods
	<p>and existing awards made under the LTIP 2016.</p>	<p>such time as they have achieved this level, they are required to: (i) retain all the shares vesting to them under the Deferred Bonus Plan (other than to settle associated tax liabilities on vesting) invest 5% of their net basic salary each year in acquiring shares in the Company; and (ii) retain not less than 25% of any shares issued to them under the LTIP 2016 or any other long-term incentive plan operated by the Company from time to time.</p> <p>Under LTIP 2016, in relation to the 25% blocks of their award which vest after 3, 5 or 7 years, participants are required to retain 50% of any shares they choose to convert for at least 12 months. In relation to the final 25% block which vests after 10 years, they are obliged to retain 75% for 12 months, 50% for 18 months, and 25% for 24 months.</p> <p>The above holding periods continue to apply to participants after they cease to be employed by the Company; shares issued in future under any other long-term incentive plan will be subject to similar restrictions.</p> <p>Future share awards to directors will be made</p>	

How component supports strategic objectives	Operation of component	Maximum potential value of component	Performance metrics used, weighting and time periods
		<p>subject to a post-vest holding period.</p> <p>Post-employment</p> <p>Executive directors who step down from the Board following 16 December 2020 are required to retain a holding in 'guideline shares' equal to:</p> <ul style="list-style-type: none"> • 200% of salary (or their actual shareholding at the point of departure if lower) for the first 12 months following stepping down as executive director. • 100% of salary (or their actual shareholding at the point of departure if lower) for the subsequent 12 months. <p>'Guideline shares' do not include shares that the executive director has purchased or which have been acquired pursuant to share awards which vested before 16 December 2020. Unless the Committee determines otherwise, an executive director or former executive director shall be deemed to have disposed of shares which are not 'guideline shares' before 'guideline shares'.</p>	

The Ad hoc Cash Bonus section of the remuneration policy table has been deleted entirely from the remuneration policy table.

The sentence "*Larger awards may be made but any excess over 200% will be carried forward and taken into account in any future share incentive grants and/or bonus payments*" has been deleted from the Share Incentive Schemes section of the remuneration policy table.

For completeness, no amendments have been made to the Base Salary or Benefits sections of the remuneration policy table.

2. Addition of the following rows to the service contracts and policy for payment for loss of office table on pages 62 to 63 of the Company's annual report and accounts for the year ended 31 March 2019 (after the section relating to compensation for loss of office in service contracts).

Standard provision	Policy	Details	Other provisions in service contracts
Treatment of unvested annual bonus awards	The payment of a bonus will be at the discretion of the Committee on an individual basis and will be dependent on a number of factors, including the circumstances of the individual's departure and contribution to the business during the financial year.	Unless the Committee determines otherwise, any bonus payment will be paid at the usual time following the determination of performance metrics and be subject to a pro rata reduction for time served during the performance period.	N/A
Treatment of unvested deferred bonus awards	The extent to which any unvested award will vest will be determined in accordance with the rules of the Deferred Bonus Plan. Unvested awards will normally lapse on cessation of employment. However, if an executive director leaves under "good leaver" provisions the awards will remain capable of vesting.	For a "good leaver", awards will ordinarily vest at the normal vesting date. In exceptional circumstances, the Committee may decide that the executive director's deferred share awards will vest at the date of cessation of employment. In either case, the extent of vesting will be determined by the Committee taking into account, unless the Committee determines otherwise, the period of time elapsed from the grant date to the date of cessation of employment relative to the deferral period.	N/A

PART 3: TELECOM PLUS PLC 2021 DEFERRED SHARE BONUS PLAN

The DBP is a discretionary share plan under which the deferred part of an annual bonus may be delivered. The DBP will be administered and operated by the Board or a duly authorised committee and references in this Part 3 of the Appendix to the “Board” include any duly authorised committee. Decisions in relation to the participation in the DBP by the executive directors will be taken by the Remuneration Committee.

Eligibility

Any current or former employee (including a current or former executive director) of the Company or any of its subsidiaries will be eligible to participate in the DBP at the discretion of the Board.

Form of awards

Awards under the DBP may be in the form of either a conditional right to receive shares (a “conditional award”) or a nil-cost or nominal-cost share option (an “option”) (together, “Awards”).

Awards may be granted over newly issued ordinary shares, ordinary shares held in treasury or ordinary shares purchased in the market. Awards are not transferable (other than on death). No payment will be required for the grant of an Award. Awards will not form part of pensionable earnings.

Grant of Awards

The Board may determine that a proportion of an employee’s annual bonus will be deferred into an Award. Deferral of executive directors’ bonuses into Awards will be in line with the Directors’ Remuneration Policy. The number of ordinary shares subject to an Award will be such number of ordinary shares as have a value (as determined by the Board) equal to the deferred bonus.

Awards may only be granted within the six-week period beginning on: the date on which the DBP is approved by shareholders; the announcement of the Company’s results for any period; and any day on which the Board determines that exceptional circumstances exist which justify the grant of an Award; or any day on which a restriction on the grant of Awards is lifted.

Overall limits on the grant of Awards

In any 10-year period, the number of ordinary shares which may be issued under the DBP together with any other employee share plan adopted by the Company (excluding the Telecom Plus PLC Long Term Incentive Plan 2016), may not exceed 12 percent of the issued ordinary share capital of the Company from time to time. This limit is consistent with the levels set out in the Company’s existing share option schemes previously approved by Shareholders.

Ordinary shares transferred from treasury will be treated as newly issued for the purpose of this limit until such time as guidelines published by institutional investor representative bodies determine otherwise.

Vesting and exercise

Awards will usually vest on the second anniversary of the determination of the relevant bonus (or on such other date as the Board determines). Options will then normally be exercisable until the tenth anniversary of the grant date, or such earlier date as the Board determines.

Settlement of Awards

Before ordinary shares have been delivered, the Board may decide to pay a cash amount equal to the value of some or all of the ordinary shares the participant would otherwise have received.

Recovery provisions (malus and clawback)

At any time prior to the later of: (i) the second anniversary of the date on which the relevant bonus is determined; and (ii) the vesting date, the Board may reduce the number of ordinary shares to which the Award relates or impose further conditions on it (if ordinary shares have not been delivered in respect of it) or may require the participant to make a payment to the Company in respect of some or all of the ordinary shares acquired.

These malus and clawback provisions may be applied in the event of: a material misstatement of financial results; an error in the information or assumptions on which the Award was granted or vests; serious reputational damage; gross misconduct on the part of the participant; or material corporate failure.

Cessation of employment – unvested Awards

If a participant ceases employment for any reason other than: death, ill-health, injury or disability; the participant's employing company ceasing to be part of the same group as the Company; or the transfer of an undertaking in which the participant was employed outside the group (together, a "specified reason"), their unvested Award will usually lapse.

If a participant leaves for a specified reason, their unvested Award will usually continue and vest on the normal date, subject to time pro-rating by reference to the period between the grant date and the participant's leaving date (unless the Board determines that the Award should vest in full). Alternatively, the Board may determine that the Award should vest on the leaving date. The Board will retain a discretion to allow an Award held by a participant who leaves other than for a specified reason to become vested, save in the case of serious misconduct, when the Award will always lapse.

An Award held by a leaver in the form of an option may normally be exercised within six months of the vesting date, after which time it will lapse.

Corporate events

In the event of a takeover of the Company, unvested Awards will normally vest subject to pro-rating for the time elapsed between the grant date and the date of the transaction, unless the Board determines that Awards should vest in full. Alternatively, the Board may permit participants to exchange Awards for equivalent awards which relate to ordinary shares in a different company (and, ordinarily, will require this if the takeover is an internal reorganisation).

If other events occur such as a variation of the Company's share capital, winding-up of the Company, demerger, delisting, special dividend, or other event which, in the opinion of the Board, may materially affect the current or future value of ordinary shares, the Board may determine that Awards will vest.

Adjustments

In the event of a variation of the Company's share capital, the number of ordinary shares which are the subject of an Award, any applicable exercise price and/or any performance condition may be adjusted.

The number of ordinary shares subject to an Award, any applicable exercise price and/or any performance condition may also be adjusted in the event of a demerger, delisting, special dividend, rights issue or other event, which may, in the Board's opinion, affect the current or future value of ordinary shares.

Amendment and termination

The Board may amend the DBP or the terms of any Award at any time, provided that the approval of the Company's shareholders in a general meeting will be required for any amendments to the advantage of participants relating to eligibility, limits, the basis for determining a participant's entitlement to, and the terms of, the ordinary shares or cash comprised in an Award and the impact of any variation of capital to become effective.

However, any minor amendment to benefit administration, to take into account legislative changes, or to obtain or maintain favourable tax treatment, exchange control or regulatory treatment may be made by the Board without shareholder approval.

No amendment may be made to the material disadvantage of participants who hold Awards unless consent is sought from the affected participants and given by a majority of participants (by reference to the number of shares which are the subject of their Awards).

The DBP will usually terminate on the tenth anniversary of its adoption by the Board but the rights of existing participants will not be affected by any termination.

